

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

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| Illinois Commerce Commission | : | |
| On Its Own Motion | : | |
| | : | |
| Approval of the Plan of Record | : | 00-0271 |
| required by Condition 29 of Docket | : | |
| 98-0555 | : | |

ORDER

By the Commission:

In an order entered on September 23, 1999 in Docket No. 98-0555, "Joint Application for approval of the reorganization of Illinois Bell Telephone Company d/b/a Ameritech Illinois, and the reorganization of Ameritech Illinois Metro, Inc. in accordance with Section 7-204 of the Public Utilities Act and for all other appropriate relief" ("SBC/Ameritech Order"), the Illinois Commerce Commission ("Commission") imposed certain conditions for the approval of the merger between Illinois Bell Telephone Company d/b/a Ameritech Illinois and SBC Communications Inc. ("Joint Applicants").

Condition 29 of that Order requires the Joint Applicants to make certain commitments regarding the provision of Operational Support Systems ("OSS"). The first phase of this requires that:

Within 3 months after the Merger Closing Date or final regulatory approval, Joint Applicants shall complete a publicly available Plan of Record which shall consist of an overall assessment of SBC's and Ameritech's existing OSS interfaces, business processes and rules, hardware and data capabilities, and security provisions, and differences, and the companies' plan for developing and deploying application-to-application interfaces and graphical user interfaces for OSS, as well as integrating their OSS processes. The Plan of Record shall be accepted, or rejected, by this Commission after an expedited (two week) CLEC comment cycle.

On January 7, 2000, the Joint Applicants filed a Plan of Record (POR) with the Commission. The Commission rejected this POR on February 15, 2000. The procedural history regarding this filing and a summary of comments filed by CLECs are outlined in a Staff Report dated March 15, 2000. In that Staff Report, the Staff of the Telecommunications Division recommends the approval of the Revised Plan of Record (RPOR) filed by the Joint Applicants on March 1, 2000. The Staff Report summarizes the

comments filed by AT&T, CoreComm, MCI WorldCom and Rhythms to the RPOR. None of the CLECs explicitly recommend rejection of the RPOR.

The Staff Report notes that Condition 29 of the merger approval order contains the following language:

Phase 2: SBC/Ameritech shall work collaboratively with ICC Staff and Illinois CLECs, in a series of workshops, to obtain written agreement on OSS interfaces, enhancements, and business requirements identified in the Plan of Record. Phase 2 shall be conducted under the auspices of the ICC and shall be completed in a total of 3 months unless the parties mutually agree to extend Phase 2, or unless the Commission grants a reasonable request for an extension by a participating party. If the CLECs and SBC/Ameritech have not reached agreement after one month of such sessions, the parties shall prepare a list of the unresolved issues in dispute and submit the remaining unresolved issues in dispute to arbitration by the Commission.'

In the comments, the CLECs seek assurance that the scope of the OSS collaborative sessions will not be limited by the boundaries of the four corners of SBC/Ameritech's RPOR. Staff agrees with the CLECs that the scope of the collaboratives will not be limited by the RPOR.

The Commission is in agreement that Phase 2 should not be limited to the specific OSS systems and issues identified in SBC/Ameritech's RPOR. Any issue related to OSS systems and or OSS processes will be open for discussion during Phase 2.

Staff has requested that, should the Commission accept Staff's recommendation to approve the RPOR, the Commission order Phase 2 to commence two weeks after a contract with the independent third party has been fully executed and delivered in satisfaction of all state procurement requirements to enable the independent third party tester to participate in the entire collaborative process. The Staff has also requested that the Commission clarify the role to be taken by this independent third party tester in the collaborative process.

The Commission has ordered that Ameritech Illinois should deploy "commercially ready, application-to-application interfaces as defined, adopted, and periodically updated by industry standard setting bodies for OSS (e.g., Electronic Data Interchange ("EDI") and Electronic Bonding Interface ("EBI")) that support pre-ordering, ordering, provisioning, maintenance and repair, and billing for resold services, individual UNEs, and combinations of UNEs." In accordance with this determination, a process will begin in which SBC/Ameritech shall work collaboratively with ICC Staff and Illinois CLECs in a series of workshops to obtain written agreement on the issues identified in the RPOR

as well as those not identified that have a direct bearing on the deployment of such OSS as ordered by the Commission in Docket 98-0555.

The independent third party hired by the Commission shall work, at the direction of the Commission Staff, to monitor and assist all parties to this collaborative process in obtaining written agreement on OSS interfaces, enhancements, and business requirements and such other matters as are appropriate and identified in the RPOR and as are necessary to fulfill the Commission's directive in Docket 98-0555. In the event that agreement can not be reached by all parties during this collaborative process, the unresolved issues shall be arbitrated before the Commission as specified in the Commission's order in Docket 98-0555. At that time, the Commission shall make a further determination as to the role of the independent third party during the arbitration process conducted before the Commission.

Phase 2 shall commence two weeks after a contract with the independent third party has been fully executed and delivered in satisfaction of all state procurement requirements. As indicated in the merger order, the Phase 2 arbitration shall be concluded within 7 weeks of submission of the unresolved issues (unless there is a mutually agreeable extension). In the event that SBC/Ameritech and the participating Illinois CLECs are able to come to written agreement regarding some OSS issues, but not all, those issues that have been agreed to shall immediately proceed to Phase 3.

Again reiterating the mandate in the merger order, the Phase 3 development and deployment of the system interfaces, enhancements and business requirements consistent with the written agreement obtained in Phase 2. Will be completed within 12 months after completion of Phase 2, unless a majority of the CLECs participating in Phase 2 agree to an extension. The completion date shall begin to run after the completion of a written agreement in Phase 2, or the effective date of a final decision by the Commission acting as arbitrator in Phase 2, whichever is later. If one or more CLECs contend that SBC/Ameritech has not developed and deployed the system interfaces, enhancements, and business requirements consistent with the written agreement obtained in Phase 2, or has not complied with the Commission's decision received in Phase 2, they may file a complaint with the Commission which shall arbitrate the issue(s) consistent with the procedures identified in Phase 2 except that this arbitration shall be concluded within 2 months.

Based upon the procedure set forth in the merger order, the Commission considers any arbitration proceedings in Phase 2 to be separate and distinct from those contemplated for Phase 3.

The Commission, being fully advised in the premises, is of the opinion and finds that:

- (1) that Illinois Bell Telephone Company d/b/a Ameritech Illinois and SBC Communications Inc. should be made parties to this proceeding;

- (2) the Commission has jurisdiction over the subject matter in and the parties to this proceeding;
- (3) the recitals of fact set forth in the prefatory portion of this order are supported by the record and are hereby adopted as findings of fact;
- (4) the Staff Report dated March 15, 2000 should be made a part of the record of this proceeding;
- (5) the Commission should accept the Revised Plan of Record filed March 1, 2000 by the Joint Applicants;
- (6) Phase 2 of the requirements in Condition 29 of the Order entered on September 23, 1999 in Docket No. 98-0555 shall commence two weeks after a contract with the independent third party has been fully executed and delivered in satisfaction of all state procurement requirements;
- (7) the RPOR shall not limit the scope of the OSS collaborative sessions required by Phase 2, with the plans detailed in the RPOR being the subject of discussion throughout the collaborative sessions;
- (8) the arbitration proceedings in Phase 2 shall be separate and distinct from those arbitration proceedings contemplated in Phase 3.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the Revised Plan of Record filed by Illinois Bell Telephone Company d/b/a Ameritech Illinois and SBC Communications Inc. on March 1, 2000 is approved pursuant to the requirement in Condition 29 of the order entered on September 23, 1999 in Docket 98-0555.

IT IS FURTHER ORDERED that Illinois Bell Telephone Company d/b/a Ameritech Illinois and SBC Communications Inc. are made parties to this proceeding.

IT IS FURTHER ORDERED that Phase 2 of the process described in Condition 29 shall commence two weeks after a contract with the independent third party has been fully executed and delivered in satisfaction of all state procurement requirements.

IT IS FURTHER ORDERED that the Revised Plan of Record shall not limit the scope of the OSS collaborative sessions required by Phase 2 and that any issue related to OSS systems and or processes, regardless of whether or not it is identified in the RPOR, will be open for discussion during Phase 2.

IT IS FURTHER ORDERED the arbitration proceedings in Phase 2 shall be separate and distinct from those arbitration proceedings contemplated in Phase 3.

IT IS FURTHER ORDERED that the Staff Report dated March 15, 2000 is made a part of the record of this proceeding.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 5th day of April, 2000.

Chairman

Commissioner Kretschmer will file an opinion